

GOUVERNEMENT DE LA
REPUBLIQUE DU VANUATU

Autorité de Régulation
des Services Publics du Vanuatu
Ministère des Finances
et de la Gestion Economique
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GOVERNMENT OF THE
REPUBLIC OF VANUATU

Utilities Regulatory Authority
of Vanuatu
Ministry of Finance and
Economic Management
Private Mail Bag 9093, Port Vila Vanuatu
Tel: (678) 29795 / 23335 / 23521
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Utilities Regulatory Authority of Vanuatu

11 October 2011

Mr Philippe Mehrenberger
Directeur General Delege
UNELCO Vanuatu Ltd
P.O Box 26
Port Vila
VANUATU

Re: Section 18 and 29 – Penalties for Unjustified Interruptions of Electricity Services Port Vila and Tanna - Malekula concessions

Dear Mr. Philippe Mehrenberger

The *Utilities Regulatory Authority Act No 11 of 2007 (the Act)* defines the *Utilities Regulatory Authority (the Authority)* as the agency responsible for administration and compliance of the electricity and water concessions for Port Vila, Luganville, Tanna Island and Malekula.

Section 20 of the Act assigns the contractual rights exercisable by the Government of Vanuatu to the *Utilities Regulatory Authority* with regards to electricity concession contracts for Port Vila, Tanna Island and Malekula.

In accordance with sections 18 and 29 of the Port Vila and Tanna-Malekula electricity concession contracts respectively, state that should electricity services be interrupted without justification, the Concessionaire shall be liable to the following penalties:

- (a) Unjustified interruptions:
 - (i) Throughout the network: a fine equal to 500 x P per hour of interruption;
 - (ii) At one transformer: a fine equal to 50 x P per transformer per hour of interruption

The Authority has determined the following events to be unjustified interruptions for the purpose of section 18 and 29 respectively:

Concession	Date	Time	Penalty (vatu)
Port-Vila	1/1/2011	13:35	0
Port-Vila	1/4/2011	18:45	9565
Port-Vila	2/15/2011	22:21	0
Port-Vila	2/15/2011	23:56	0
Port-Vila	2/23/2011	17:00	0
Port-Vila	3/8/2011	6:05	5826
Port-Vila	3/14/2011	14:40	24425
Port-Vila	3/22/2011	9:49	0
Port-Vila	4/3/2011	11:15	0
Port-Vila	4/5/2011	14:12	1994
Port-Vila	4/5/2011	21:13	8066
Port-Vila	4/27/2011	2:37	199167
Port-Vila	6/17/2011	17:43	0
Tanna	1/11/2011	13:08	26085
Malekula	1/3/2011	18:30	3043
Malekula	1/29/2011	10:30	6521
Malekula	2/7/2011	10:15	6660
Malekula	2/24/2011	7:00	0
Malekula	3/15/2011	9:30	15065

In accordance with subsection 77(a) and 130 of the Port Vila and Tanna-Malekula concession contracts respectively, the Authority has assessed the penalty for the above unjustified interruptions to be **VUV 306,417** vatu payable within 10 business days of the date of invoice.

The concession contracts and the Act provide for review of the Authority's action which UNELCO is entitled to pursue in the event that it is aggrieved by the Authority's decision.

Under section 27 of the Act a utility aggrieved by any action taken pursuant to Part 3 of the Act may, within 30 days, give a notice of grievance to the Authority in writing:

- (a) A detailed description of any facts or matters supporting the grievance;
- (b) Copies of any documents supporting the grievance;
- (c) A detailed description of any alleged error of law; and
- (d) A detailed description of any relevant changed facts or circumstances since the action being the subject of the notice.

Should you require any further information or clarification please do not hesitate to contact Mr Romney Marum on (+678) 5607817.

Sincerely



Paul Kaun
URA Commissioner

Attachment: Invoice
Unjustified electricity interruptions report

Copies: Minister of Finance and Economic Management – Honourable Moana Caracass
Minister for Lands Geology and Mines – Honourable Stephen Kalsakau
Minister of Infrastructure and Public Utilities – Honourable Harry Iauko
PMO